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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY Czechoslovakia

SUBJECT Sklo-Export (glass export) National Enterprise at Prague
Departments/Employees/Major Foreign Customers/Salaries/
Top Officials/Security Measures/Political Training

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1. "The following information dates through the beginning of August 1953.

Description of Physical Set-up and Departments

"The Sklo-Export firm at Prague is a glass exporting firm and a national enterprise. It is located in the Palais 'Koruna' on Václav Square, Prague II. The firm has taken over the whole building. Below is a floor-by-floor breakdown of its departments:

- (a) "Ground floor: depot for samples
- (b) "First floor: management, room for foreign buyers, sales department, control department, organization and mail department.
- (c) "Second floor: personnel and sales department, as well as the political department.
- (d) "Third floor: sales department
- (e) "Fourth floor: sales department
- (f) "Fifth floor: sales department, photo department, propaganda department.

Employees

3. "There are 350 employees in the building, of whom 65% are women. Only 40% of the sales and administrative officers are fully qualified for the job. Another 40% are unqualified former workers and handcraftmen who do not understand the work from

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either a production, selling or administrative angle. The remaining 20% are general workers and helpers.

4. "The enterprise sells the glass produced at the following glass factories: Kamenice, Senov, Novy Bor, Jablonec, Podstrady, Teplice, Svetla nad Sazavou.

Major Importers of Czech glass

5. "The USSR and her Satellites receive about 60% of all the goods produced. South Africa imports mostly pressed glass --- about 10%. Central America imports 10% (luster glass). South America imports 10% (luster glass and lead crystal glass). Norway, Denmark, Sweden and the Netherlands together import 10% (mostly glass for laboratories, building glass, luster glass). About 40% of the total exports is returned to Czechoslovakia as defective goods.

Supervision by Ministry of Foreign Trade

6. "The business activity of the enterprise is supervised by the Ministry of Foreign Trade which provides all necessary documents for the export of the glass. The number of goods to be exported is reported first to the Ministry of Foreign Trade, which has to then approve the quantity and the prices. After the export has been approved, Sklo-Export, Praha, transfers the production order to the factory in question. Most foreign orders should be fulfilled immediately and paid for immediately.

Procedure for Handling Complaints

7. "Sklo-Export is not affiliated with any ministries other than the Ministry of Foreign Trade. Only in the case of complaints are some reports sent to the Ministry of Light Industry, which has to check on whether the complaint was really well-founded.
8. "The five-year economic program is fulfilled by 80%. The chiefs of the departments are held responsible for the fulfillment of the five-year economic program and their bonus payments as well as their monthly salary depends a great deal on the results of their supervision and checking of the five-year program. Because of this incentive, the chief of the department is trying hard to conclude as many export sales as possible and it happens very often that the concluded agreement is later reneged on by the foreign importers. However, even in this event the leading officer of Sklo-Export receives the bonus and is not obliged to pay it back. In some cases the goods have already been exported but they are returned from Hamburg or Trieste because they don't comply with the order.

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Names of Some Top-Level Officials

10. "The general manager of the firm was Mr /fnu/ Ruzicka, a former glass-worker.. The business-manager was Mr /fnu/ Braun, a paper-Communist. The deputy-manager was /fnu/ Matousek, a dangerous member of the C P. The chief of the control department was Mr /fnu/ Vlcek, a fanatic Communist.

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The chief of the crystal-glass department is Mr /fnu/ Schlikesbier, an expert and a paper-Communist who enjoys the confidence of the C P. The chief of the luster-glass department was Mr Josef Kalvoda, a member of the C P. The chief of crystal-glass (lead-crystal glass) department was Mr /fnu/ Vesely, a dangerous member of

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25X1 the C P, [redacted] The personnel managers (kadrový) were [fnu] Petrovsky and [fnu] Cerný, both dangerous members of the CP. The chief of the department of luster-glass destined for the US was Jan Domanek, a non-Communist. The chief of the luster-glass department for the countries in the sterling area was Oskar Fogel, a paper-Communist. The chief of the department of luster-glass destined for other Iron Curtain countries was Jaroslav Hutav, a non-Communist. The head of the transportation department was Mr [fnu] Fechtner, a non-Communist.

Security Measures

11. "All employees were forbidden to take work home. All designs for products had to be locked in safes at night. The working tables of the employees were carefully checked by security officers to see whether they were following the above-mentioned orders. Near the gate-keeper's room are two gate-keepers who occasionally check some employees to insure that they do not take any documents home. It is possible to enter the building only with a permit received from the gate-keepers. The kadr-department (kadrové oddelení) is in daily touch with the State Security Corps and checks the background of every new employee, being especially careful to check on whether the new employee has any relatives in Western countries or a relative who has recently escaped from behind the Iron Curtain.

Morale

12. "The employees have no confidence in each other and they are not satisfied with their low salaries. All employees eat their meals in the enterprise canteen on the Narodní Trida, the former Polasek Coffee House. About one-third of the employees reside in Prague in flats which were taken over by the enterprise.

Political Training

13. "The local branch of the SCM (Svaz Československé mládeže, which is the Czechoslovak Communist Youth group) gives political schooling two times a week, always between 6:00 and 7:00 am. The local branch of the Communist Party has meetings once a week. These meetings last for two hours."

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